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New York

SUMMARY RECORD OF THE 2nd MEETING

Chairman: Mr. HADID (Algeria)

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The meeting was called to order at 3.35 p.m.

ELECTION OF OFFICERS

1. The CHAIRMAN read out rule 103 of the rules of procedure of the General Assembly, which dealt with the election of officers.

2. Mr. ZAHID (Morocco) nominated Mrs. Regina Emerson (Portugal) for the office of Vice-Chairman.

3. Ms. ROTHEISER (Austria) nominated Mr. Jorge Osella (Argentina) for the office of Vice-Chairman.

4. The CHAIRMAN noted that there were no other candidates for the two posts of Vice-Chairman and suggested that the Committee should dispense with voting by secret ballot.

5. It was so decided.

6. Mrs. Emerson (Portugal) and Mr. Osella (Argentina) were elected Vice-Chairmen by acclamation.

7. The CHAIRMAN suggested that the election of the Rapporteur should be postponed until the next meeting.

8. It was so decided.

STATEMENT BY THE CONTROLLER

9. Mr. TAKASU (Controller) said that the Secretariat and the members of the Fifth Committee were pursuing the same objectives: to ensure the efficacy and the efficiency of the United Nations and to ensure that its finances rested on a solid foundation. The programme budget was the fundamental document in that regard, and the vehicle whereby the Organization secured the resources it needed to discharge the tasks entrusted to it.

10. Since the introduction of the biennial budget cycle in 1974, the procedure for preparing, reviewing and approving the budget, as stipulated in the Financial Regulations of the Organization, was as follows: in November, two years prior to the start of the financial year in question, the Secretary-General sent his instructions to programme managers concerning the preparation of the programme budget, which the Secretariat would then work on from January until March of the following year. In early May at the latest, the fascicles corresponding to the various sections of the programme budget were available and had already been subject to an internal review. The Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Committee for Programme and Coordination (CPC) were seized of the proposed budget and issued their reports in August. At the beginning of the regular session of the General Assembly, the Fifth Committee therefore had before it three sets of documents: the proposed programme budget, the report of CPC and the report of ACABQ. Accordingly, Member States normally were in a position to approve the proposed programme budget. That procedure had been substantially disrupted during the current financial year. At the end of 1992, the General Assembly had taken note

(Mr. Takasu)

of the revised expenditure estimates submitted by the Secretary-General in connection with the initial phase of the restructuring, and of a note by the Secretary-General concerning the restructuring of the economic and social sectors of the Secretariat. At the resumed forty-seventh session, it had adopted the revised appropriations for the biennium 1992-1993, which had provided the basis for the preparation of the proposed programme budget for 1994-1995. The preparation of the budget thus had been delayed by the revision of the expenditure estimates, a delay which had been accentuated by the substantial work and administrative difficulties resulting from restructuring.

11. At the current time, in addition to part I of the proposed programme budget, 22 fascicles had been issued, 22 others were being processed by the Office of Conference Services and 4 were about to be transmitted to it. The complete proposed programme budget would be ready at the end of October. However, the Fifth Committee would have to wait until CPC had expressed its views before it began its review of the proposed programme budget. In light of that unprecedented situation, it was important not to lose sight of two fundamental considerations. On the one hand, the legislative bodies, experts and Member States must take the time to conduct a thorough review of the proposed programme budget. ACABQ must be able effectively to discharge its mandate. On the other hand, the United Nations required resources in order to carry out the increasing number of tasks with which it was entrusted. In view of the precariousness of its financial situation, and taking into account only the regular budget, the Organization would be unable to continue to function if the Secretary-General, who acted pursuant to decisions of the General Assembly, was not authorized to send notices at the beginning of 1994 regarding payment of assessed contributions. In any event, a solution must be found to return to the normal budget review cycle as quickly as possible.

12. Mr. ZAHID (Morroco) said that he deplored the delay in the publication of documents. He certainly understood that the difficulties resulting from the restructuring partly explained the delay. However, the budget was a priority document, and hoped that the Secretariat would do its utmost to ensure that documentation was provided in sufficient time for consideration by the Fifth Committee, CPC and ACABQ. Noting that 22 fascicles already had been translated and that 22 others were being processed by the Office of Conference Services, he urged the Office to spare no effort to issue them as soon as possible. Furthermore, he was surprised to note that the report of 28 September 1993 on the status of the fascicles showed that the fascicle on the Office of Conference Services had not yet been forwarded for translation, whereas the Committee on Conferences had reported some time earlier that the document was ready.

13. His delegation wished to know whether the Committee was waiting to consider those documents until they were ready in all the official languages of the United Nations, or whether it could begin considering them even if they were available only in one or two languages.

14. Mr. TEIRLINCK (Belgium), speaking on behalf of the European Community and its member States, said that the European Community, as the major contributor to the regular budget, which financed a substantial share of the crucial initial months of each financial year, insisted that item 125 be considered by the Fifth Committee by 10 November at the latest, so that the General Assembly could adopt

(Mr. Teirlinck, Belgium)

the budget before Christmas. The European Community and its member States also would welcome assurances that the Fifth Committee would have all the required documents by 10 November 1993. Lastly, they wished to emphasize the political importance of the budget, which translated political choices into financial terms.

15. Mr. CLAVIJO (Colombia) expressed his delegation's concern regarding the current situation. There certainly were a number of objective reasons which partly explained the delay affecting documentation. However, the reasons given by the Controller did not explain the entire delay; it was paradoxical that information management left much to be desired at the end of a year which had been spent reforming the United Nations in the name of efficacy.

16. In any event, his delegation would not accept any solution that jeopardized the prerogatives of Member States with respect to the definition of programmes and the preparation of the budget. Simple respect for what was right, as well as the most elementary sense of political responsibility, required delegations to conduct a thorough debate on the many substantive proposals modifying the traditional content of certain programmes. Having said that, he pledged his delegation's willingness to seek pragmatic solutions appropriate to the situation, in concert with other Member States, the subsidiary bodies and the Secretariat.

17. Ms. ROTHEISER (Austria) suggested that draft copies of the fascicles still to be issued should be distributed and that the Fifth Committee, CPC and ACABQ should begin considering those fascicles already issued. Her delegation hoped that the Fifth Committee would have the time to consider and approve the programme budget before the end of the year. In any event, it would do whatever it could to achieve that result.

18. Mr. DAMICO (Brazil) expressed concern regarding the situation in which the Fifth Committee found itself. He deplored the fact that the order of the stages required for budget approval had been so seriously disrupted. He emphasized that any solution that did not go to the heart of the problem described by the Controller would jeopardize the credibility of the United Nations. For its part, his delegation was prepared to do whatever was required to approve the budget before the end of the year.

19. Mr. TANKWA (Ghana) recalled that at the same period in 1992, during the consideration of the budget, a request had been made for the General Assembly to consider the revised budget proposals made necessary by the restructuring of the Organization. At that time, in answer to questions regarding the repercussions of the restructuring on the budgetary process, it had been indicated that the restructuring would involve only slight modifications, and that consequently the preparation of the budget would not be slowed down. The introduction would, moreover, be ready in August and all the fascicles would be issued at the beginning of September. Yet that had not been done, something that his delegation found unacceptable. It was also concerned that the Secretariat was giving the impression that it spoke on behalf of the subsidiary organs, whereas the Chairmen of CPC and ACABQ were the ones who must say whether or not they would be able to submit their reports. The Secretariat should concentrate on

(Mr. Tankwa, Ghana)

the preparation of documents and leave it to the subsidiary and legislative bodies to do the rest.

20. Furthermore, his delegation believed that the Controller's second proposal - inviting the General Assembly to give the Secretary-General authority to assess contributions - was unacceptable, because such an arrangement would compromise the entire budgetary process. The programme budget was essentially the expression of a political compromise and it was difficult to see how the General Assembly could give the Secretary-General power to earmark at will appropriations which had not been the result of a negotiated political compromise in the form of a programme budget.

21. Nor could Ghana accept the fact that the Controller justified the delay in producing budgetary documents by citing factors like the restructuring and the recalculated budget proposals, because those factors were not a new development at the time the revised estimates had been adopted. The Secretariat now stated that the reason the documents were incomplete was that more work needed to be done. The work in question was the assignment of staff to the new offices, to the United Nations Conference on Trade and Development (UNCTAD) and to Vienna. Yet it was unthinkable that an entire budgetary process should be suspended on the pretext that new offices were being set up. His delegation wanted the Secretariat to play its role, which was to prepare documents on time, and to leave it to the legislative bodies and subsidiary organs to decide whether or not they were in a position to reach compromises.

22. His delegation was tempted to see th delays it was decrying as part of another issue, namely, the flexibility that the Secretariat was always demanding, a flexibility which would essentially destroy the link between budget and programmes, a flexibility that would mean: "Give us resources and let us determine the posts to be allocated to the various programmes and activities". A flexibility, in short, that would result in the creation of a reserve of posts left to the discretion of the Secretariat. The expectation implicit in the request to the General Assembly to entrust the Secretary-General with the management of a fixed sum and allow him to assess the contributions of Member States fell into the same category. Under no circumstances could his delegation, of course, endorse such an idea.

23. Mr. FONTAINE-ORTIZ (Cuba) said that he too wished to express the concern of his delegation at the delay in documentation, the cause of which was unclear, despite what the Controller said. It so happened that a year earlier the Secretariat had promised that the documentation for the forty-eighth session would be ready on time. The contention then was that the aim of the restructuring was to make the Organization more efficient, whereas it actually had delayed the production of documents.

24. His delegation noted with some astonishment that many of the fascicles that were late had not been affected by phase two of the restructuring. On the other hand, the fascicles relating to certain departments and institutions were already issued. It would be interesting to know how the Secretariat explained that contradiction. The restructuring was therefore presumably not the real reason for the delay. Yet that was no reason to lay the responsibility for the

(Mr. Fontaine-Ortiz, Cuba)

delay on the subsidiary organs, as certain tendentious comments seemed to suggest.

25. The Fifth Committee's work dealt with a "programme budget", which meant that the Committee approved not only appropriations but also programmes. The programme budget was therefore a policy instrument. That political dimension of the programme budget was very important to delegations, and one of the problems being faced was precisely the fact tha the already-issued fascicles contained a series of proposals for which the Secretariat had never received a mandate from the competent bodies. Such was the case, for instance, with the fascicle dealing with the integrated offices.

26. His delegation had no magic formula to propose to resolve the problem, but it wished to reiterate how important the political content of the programme budget was for delegations, and to add its voice to that of delegations committed to spare no effort in finding a realistic solution to the current emergency, by working together with the subsidiary organs and the Secretariat.

27. Mr. MERIFIELD (Canada) said, with reference to the Controller's request, that he was well aware of the difficult situation in which the Organization found itself but that the proposal envisaged would have serious financial implications for his country. He recalled that Canada had already fully paid its assessed contributions in August for the most recently established United Nations peace-keeping operations. It would have to be clearly indicated on what basis the commitments were to be authorized and especially what the relevant amounts and timetable would be. Before taking a position, his delegation would like the Controller to provide specific figures on the cash situation to justify the collection of contributions in January 1994. If the Organization had sufficient liquid funds to function until April, it would perhaps be possible to authorize commitments without having to issue any requests for the payment of contributions. In any case, the contemplated transitional arrangements must be submitted in an appropriate manner.

28. Mr. RAE (India), endorsing the statements of some of the previous speakers, said that rather than debating the manner in which the budget should be considered, it would be preferable to make it a goal to reach consensus on the budget before the end of the year and consider how that goal could be achieved. If the difficulties were not resolved by the end of December, it would then be advisable to consider emergency measures. His delegation believed that the Fifth Committee and the subsidiary organs should proceed to consider the programme budget and not waste too much time on procedural questions.

29. Mr. MICHALSKI (United States of America) said that, in his statement, the Controller had expressed a clear understanding of the role of the General Assembly and the Fifth Committee in the adoption of the budget. It appeared that the Secretariat had tended to minimize that role over the past few months. It would be useful to know the date by which the report of ACABQ would be issued in all the official languages. In his opinion, it would not be wise to begin consideration of the proposed programme budget in the absence of that report. He would be grateful, moreover, if the Secretariat could make available the statistics on the numbers of informal consultations and formal meetings which had been devoted to the consideration of the previous budget, in 1991. Given

(Mr. Michalski, United States)

that the programme of work was heavier in the current year, it was doubtful whether the Committee would be able to consider the entire budget and conclude its work by the end of December, particularly since the economy measures put in place by the Secretary-General - without consulting Member States - would create considerable difficulties for all delegations. The limitation on the number of copies of documents distributed, for example, meant that the United States delegation would be obliged to make photocopies for departments which it needed to consult at the State Department, thereby slowing down the process of adopting positions on the financing of budget items. While he understood that, from a political viewpoint, it would be preferable to approve the budget before the end of the year, it was impossible at the current stage to make any firm commitment. The Committee must review the budget proposals very thoroughly if it wished to play its true role instead of blindly endorsing the Secretariat's proposals. It might be possible to defer the detailed consideration of the budget to early 1994 and to adopt a provisional budget in 1993. In that way, delegations would have time to familiarize themselves with all the documents and to consider carefully the financial implications of the proposals they contained. During the regular session, the Committee would focus its attention on non-budgetary matters; that was a new approach to its work which the Committee might wish to adopt in future. In short, his delegation believed that the Committee should organize its work in such a way that it would not be forced to adopt hasty decisions merely to meet some artificial deadline.

30. Mr. ELZIMAITY (Egypt) said that his delegation was not prepared at the current stage to change the established rules governing the adoption of the programme budget. Given the serious financial difficulties with which the Organization was faced, it stood ready to pursue with the Secretary-General the search for an acceptable solution.

31. Ms. ERIKSSON-FOGH (Sweden) said that she shared the views that had been expressed by several previous speakers. The Committee should spare no effort in trying to adopt a budget before the end of the year and that budget should reflect the priorities of the Organization at the current crucial stage of its history.

32. Mr. TAKASU (Controller), noting the comments made by the various delegations, said that the Secretariat intended to do everything possible to facilitate their work, and thereby enable the decision-making organs and Member States to discharge their responsibilities, namely, to consider the programme budget. If his statement seemed tc suggest a certain lack of proper regard for the role of the decision-making organs or of Member States, such had not been his intention. As to the progress made in the preparation of documents, he wished to assure delegations that the Secretariat attached the highest priority to the preparation of the budget fascicles. Out of a total of 2,000 pages, 700 had already been issued, 1,100 were under preparation, and 200 were about to be submitted to the Office of Conference Services. All of the fascicles should be issued by the end of October.

33. Mr. BOIN (France) observed that the Committee was close to a consensus on the matter and reaffirmed the importance of the budget preparation process, as set out in General Assembly resolution 41/213, which was based on the report of the Group of 18. The Controller had indicated that the Office of Conference

(Mr. Boin, France)

Services had been authorized to process budget-related documents on a top priority basis. The question arose, however, as to whether the economy measures adopted by the Secretary-General in fact diminished the capacity of the Office of Conference Services to respond to that priority. He asked whether, if that was indeed the case, consideration was being given to the urgent recruitment of temporary staff to deal with the fundamental requirement of preparing the budget. He was surprised that almost one month should be necessary to process the budget documents. It should require no more than about 10 days to issue the documents simultaneously in all the official languages, in accordance with the resolutions of the General Assembly. In that connection, he observed that the Secretariat had had a tendency for some time to disregard the Assembly's resolutions.

34. Mr. MICHALSKI (United States of America) repeated the question which he had asked concerning the date of issue of the report of ACABQ. For its consideration of the budget, the Committee should also have before it the report of the Committee for Programme and Coordination, even if that report was not particularly useful. If other delegations wished to adopt the budget before Christmas, then the consideration of certain items would have to be deferred until 1994, since, as he had already made clear, the United States would not adopt the budget in haste. That would be quite difficult, however, and it would therefore be preferable for the Secretariat to provide information on the number of meetings which had been devoted to the consideration of the programme budget for 1992-1993 and on those that were envisaged for the current year. It would be easier to arrive at a conclusion based on those figures.

35. Mr. FONTAINE-ORTIZ (Cuba) said that it would be useful to know whether the economy measures announced by the Secretary-General had actually been implemented or had only been recommended. It was surprising that the measures had not been first proposed, in keeping with the usual practice, and that there had been no briefing or consultations on them. His delegation wished to know what steps would be taken to deal with the situation and to make up for the delay in the preparation of the documents.

36. Mr. SHIBATA (Japan) wondered how CPC would be able to conduct its work in the absence of the necessary documentation.

37. Mr. SPAANS (Netherlands) asked for assurances that the Committee would take a decision on its programme of work at the current or next meeting.

38. Mr. ZAHID (Morocco) wished to know whether the Secretariat could give the assurance that the ruports of ACABQ and CPC would be ready by the end of October and if it proposed to change the dates of the CPC session in the event that the necessary documents were not ready. He also wondered whether the Advisory Committee could consider the budget documents in English only and whether the Committee could discuss the budget in informal consultations.

39. Mr. DANKWA (Ghana) questioned the usefulness of informal consultations and proposed that the Chairman should consult with the Chairmen of ACABQ and CPC in order to decide, together with the Bureau and the members of the Committee, when the Committee would consider the agenda item on the budget.

40. Mr. TANG Guangting (China) agreed with the delegation of India that the Committee should use the time available to it for a serious discussion of substantive issues. He wondered whether all the documents would be ready in all languages by the end of October. His delegation had received only one or two copies of documents which had been issued, at times not including the Chinese language version.

41. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) pointed out that the rules governing the timetable for submission of the proposed programme budget were intended to promote dialogue between Member States and the Secretary-General on the latter's proposals. At the current juncture in a budget year, delegations normally had before them the reports of the Committee for Programme and Coordination (CPC) and the Advisory Committee on Administrative and Budgetary Questions (ACABQ) and the Secretary-General's proposals. That was not the case at the current time. That most unusual situation was very serious indeed.

42. Replying to questions put by delegations, he indicated that it would not be possible for the report of ACABQ to be ready before November, since all fascicles of the proposed programme budget would not be available until after November. The budget procedure did not allow the Fifth Committee to hold informal consultations on the proposed programme budget before it had the ACABQ and CPC reports. Since ACABQ considered the budget as a unified whole and made its recommendations only after it had completed its review of the budget proposals, it could not submit its report to the Fifth Committee piecemeal. As to whether ACABQ could conduct its work in one or two languages only pending the issue of documents in all languages, it should be recalled that the Advisory Committee was a subsidiary body of the General Assembly and that, as such, it was required to work in all the official languages.

43. There should be no illusions about the matter. It was technically and physically impossible for the Advisory Committee, which had other functions to perform besides reviewing the budget, and was required, in particular, to deal with the financing of the peace-keeping operations, to submit its report before the end of the year.

44. Mr. TAKASU (Controller), replying to questions put by delegations, said that the economy measures would have a very limited effect on documentation, given that those measures were concerned more with the Interpretation Service than the translation services. The budget fascicles would be issued in all languages by the end of October. In the meantime, however, it was preferable not to proceed with a preliminary distribution since the fascicles had to be edited; distributing them before then would be contrary to the principle of the equality of languages.

45. Mr. ACAKPO-SATCHIVI (Secretary of the Committee) pointed out that the programme of work of CPC depended on the decision which the Fifth Committee took with regard to its own programme. In that connection, CPC had decided to delay the start of its session by two days. The three-week period from 4 to 25 October, which had been given as the dates when the fascicles submitted to the Office of Conference Services would be issued, was quite sufficient for the processing of 1,104 pages, particularly since account must be taken of the

(Mr. Acakpo-Satchivi)

economy measures introduced by the Secretary-General, of the fact that General Assembly documents were given priority and that Security Council documents took precedence over everything else.

The meeting rose at 6.05 p.m.